

Message Text

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ACTION IO-13

INFO OCT-01 EUR-12 ISO-00 EB-08 AID-05 ABF-01 TRSE-00
OMB-01 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00
NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AF-08 ARA-06
EA-07 NEA-10 /117 W

-----010106Z 130368 /73

P R 010024Z FEB 77

FM USMISSION USUN NY

TO SECSTATE WASHDC PRIORITY 2208

INFO AMEMBASSY MOSCOW

C O N F I D E N T I A L USUN 0255

E.O. 11652: GDS

TAGS: UNDP, EAID

SUBJ: UNDP: CONSULTATIONS WITH SOVIET DELEGATION ON ACCUMULATED
NON-CONVERTIBLE CURRENCIES - AGENDA ITEM 4

REF: USUN 0238

1. SUMMARY. IN CONTINUING INFORMAL DISCUSSIONS, THE SOVIET DELEGATION SAID THAT THE WESTERN COUNTRIES' DRAFT WAS "UNACCEPTABLE". WE REITERATED U.S. FLEXIBILITY ON PRECISE LANGUAGE BUT EMPHASIZED OUR DETERMINATION TO INSIST ON PROGRESS BEING MADE IN SOLVING THE PROBLEM OF ACCUMULATED NON-CONVERTIBLE CURRENCIES ON AN ACCEPTABLE BASIS. AN INFORMAL MULTILATERAL DRAFTING GROUP IS SCHEDULED TO MEET FEBRUARY 1. END SUMMARY.

2. THE U.S. DELEGATION (MYERSON) HAD FURTHER INFORMAL DISCUSSIONS WITH THE SOVIET DELEGATION (LISSOV) JANUARY 31 ON QUESTION OF NON-CONVERTIBLE CURRENCIES. IN RESPONSE TO PREVIOUS U.S. REQUEST FOR SPECIFIC SOVIET ASSURANCES THAT ACCUMULATED AND FUTURE RUBLE CONTRIBUTIONS WILL BE USED, LISSOV SAID THAT THE USSR HAD DONE SO: THE HEAD OF THE SOVIET DELEGATION MOROZOV HAD TOLD
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UNDP OF A NUMBER OF WAYS THE SOVIET CONTRIBUTIONS COULD BE USED AND HAD ASKED UNDP ADMINISTRATOR MORSE FOR ADDITIONAL SUGGESTIONS FOR USING RUBLE CONTRIBUTIONS. LISSOV TERMED THE WESTERN DRAFT BEING CIRCULATED (REFTEL) AS "ABSOLUTELY UNACCEPTABLE" TO THE SOVIETS FOR THREE REASONS: (1) IT "UNDERMINED" THE "BASIC PRINCIPLES" OF UNDP; (2) IT DISCRIMINATED AGAINST AND

ISOLATED SOCIALIST CONTRIBUTIONS; AND (3) IT CONTINUED THE POLICY OF THE PREVIOUS UNDP ADMINISTRATOR (PETERSON) OF PLACING OBSTACLES IN THE WAY OF USING SOVIET CONTRIBUTIONS.

3. LISSOV WARNED THAT THE FORMAL TABLING OF THE WESTERN DRAFT WOULD LEAD TO SOVIET RECONSIDERATION OF ITS ATTITUDE TOWARDS UNDP, INCLUDING POSSIBLE SOVIET NON-PARTICIPATION IN UNDP, THEREBY TRANSFORMING THE PROGRAMME INTO A NORTH-SOUTH DIALOGUE MINUS THE SOCIALIST COUNTRIES.

4. LISSOV SAID THE SOVIETS WOULD CIRCULATE A DRAFT ALONG THE FOLLOWING LINES: (1) PREVIOUS GOVERNING COUNCIL DECISIONS ON "TIMELY, ECONOMIC AND EFFECTIVE" USE OF ALL RESOURCES CONTRIBUTED TO UNDP WOULD BE CONFIRMED; (2) THE AUTHORITY AND ROLE OF THE UNDP ADMINISTRATOR WOULD BE RAISED THROUGH A DIRECTIVE URGING HIM TO FIND A USE FOR ALL RESOURCES; AND (3) DONORS AND RECIPIENTS WOULD BE CALLED ON TO HELP THE ADMINISTRATOR FIND A USE FOR ALL CONTRIBUTIONS.

5. THE U.S. DELEGATION REITERATED ITS CONCERN TO KEEP POLITICS AND IDEOLOGICAL CONFRONTATION OUT OF UNDP, TO ARRIVE AT AS MUCH OF A SOLUTION AS POSSIBLE AT THIS GOVERNING COUNCIL, AND TO HAVE ANY DECISION ON THIS MATTER ADOPTED BY CONSENSUS. MYERSON EXPLAINED AND EMPHASIZED THE U.S. CONCERN ABOUT RESTRICTION ON CONTRIBUTIONS OF OTHERS AND THE POSSIBILITY OF RESTRICTIONS BEING IMPOSED ON THE U.S. CONTRIBUTION BY CONGRESS SHOULD THIS CONTINUE. CONFIDENTIAL

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HE STRESSED HIS HOPE AND EXPECTATION THAT SOME MUTUALLY-AGREED SOLUTION WILL BE REACHED. HE POINTED OUT HOWEVER THAT THE U.S. WOULD NOT BE ABLE TO CONTROL THE DELIBERATIONS OF THE OPEN-ENDED INFORMAL DRAFTING GROUP MEETING WHICH WOULD TAKE UP THIS TOPIC ON TUESDAY, FEBRUARY 1. IN ANY EVENT, THE U.S. DELEGATION CONSIDERED THIS A SERIOUS PROBLEM AND HAD MADE TWO SPECIFIC SUGGESTIONS TOWARD SOLVING IT. WE COULD ALSO ACCEPT THE WESTERN DRAFT WHICH, AFTER ALL, REFERRED TO ONLY ONE OF OUR TWO PROPOSALS. WE REMAINED OPEN-MINDED ON PRECISE LANGUAGE. WHAT WE COULD NOT ACCEPT WAS TO IGNORE THE PROBLEM. YOUNG

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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
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Review Withdrawn Fields: n/a
SAS ID: 3437398
Secure: OPEN
Status: NATIVE
Subject: UNDP: CONSULTATIONS WITH SOVIET DELEGATION ON ACCUMULATED NON-CONVERTIBLE CURRENCIES - AGENDA ITEM 4
TAGS: EAID, US, UR, UNDP
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d67f6dcd-c288-dd11-92da-001cc4696bcc
Review Markings:
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